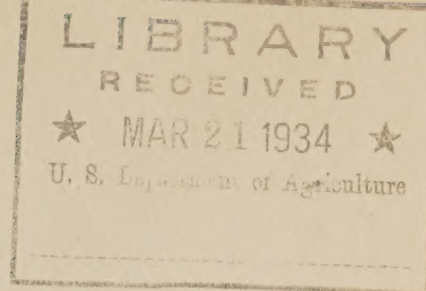


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A B I L L

To amend Sections 8, 10, and 14 of the Agricultural Adjustment Act, to prevent misrepresentations as to the processing tax by purchasers of agricultural commodities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (1) of Section 8 of the Agricultural Adjustment Act as amended, is amended by inserting at the end of the first sentence thereof the following:

"Agreements authorized by this section may include, among others, provisions requiring the producers who are parties to such agreements to reduce or limit acreage and/or production for market of agricultural commodities other than basic agricultural commodities as well as of basic agricultural commodities."

SEC. 2. Subsection (2) of Section 8 of the Agricultural Adjustment Act, as amended, is amended by striking out the present provisions thereof and by substituting in lieu thereof the following:

"Sec. 8(2) After due notice and opportunity for hearing, to enter into marketing agreements with processors, producers, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof, in the current of or in competition with, or so as to burden, obstruct or in any way affect, interstate or foreign commerce. The making of any

such agreement shall not be held to be in violation of any of the antitrust laws of the United States, and any such agreements shall be deemed to be lawful: Provided, That no such agreement shall remain in force after the termination of this Act. For the purpose of carrying out any such agreement the parties thereto shall be eligible for loans from the Reconstruction Finance Corporation under Section 5 of the Reconstruction Finance Corporation Act. Such loans shall not be in excess of such amounts as may be authorized by the agreements."

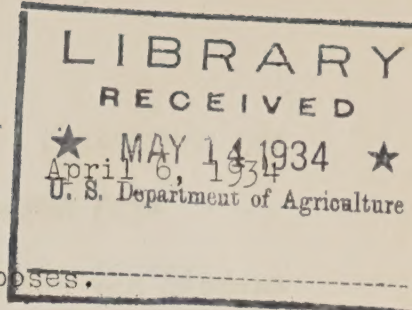
SEC. 3. Subsections (3) and (4) of Section 8 of the Agricultural Adjustment Act, as amended, are amended by striking out the provisions thereof and by substituting in lieu thereof the following:

"Sec. 8(3) (a) After due notice and opportunity for hearing, (1) to prohibit processors, distributors, (including producers and associations of producers who are processors or distributors), and others from engaging in the handling of any agricultural commodity or product thereof, or any competing commodity or product thereof, in the current of or in competition with, or so as to burden, obstruct, or in any way affect, interstate or foreign commerce, without a license, and (2) to issue licenses to permit processors, distributors, (including producers and associations of producers who are processors or distributors), and others to engage in such handling upon such terms and conditions as the Secretary of Agriculture may deem necessary to effectuate the declared policy of this Act and the restoration of normal economic conditions in the marketing, and/or financing of such commodities or products.

"(b) After due notice and opportunity for hearing, to revoke or suspend any such license as to or of any person or persons for violation of the terms or conditions thereof. Any order of the Secretary of Agriculture so revoking or suspending any such license shall be final if in accordance with law.

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A B I L L



To amend the Agricultural Adjustment Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (1) of Section 8 of the Agricultural Adjustment Act, as amended, is amended by inserting at the end of the first sentence thereof the following: "Agreements authorized by this subsection may include, among others, provisions requiring the producers who are parties to such agreements to reduce or limit acreage and/or production for market of agricultural commodities other than basic agricultural commodities, as well as of one or more basic agricultural commodities."

SEC. 2. Subsections (3) and (4) of section 8 of the Agricultural Adjustment Act, as amended, are amended to read as follows:

"(3) (A) After due notice and opportunity for hearing, (I) to prohibit processors, distributors, (including producers and associations of producers, who are processors or distributors), and others from engaging in the handling of any agricultural commodity or product thereof, or any competing commodity or product thereof, in the current of or in competition with, or so as to burden, obstruct, or in any way affect, interstate or foreign commerce, without a license, and (II) to issue licenses to permit processors, distributors, (including producers and associations of producers who are processors or distributors), and others to engage in such handling upon such terms and conditions as the Secretary of Agriculture may deem necessary to effectuate the declared policy of this Act and the restoration of normal economic conditions in

the marketing, and/or financing of such commodities or products.

"(B) After due notice and opportunity for hearing, to revoke or suspend any such license issued to or applying to any licensee for violation of the terms or conditions thereof. Any order of the Secretary of Agriculture so revoking or suspending any such license shall be final if in accordance with law.

"(C) The Secretary^{of Agriculture} shall not incorporate in any license issued pursuant to this subsection, except a license relating to rice, milk and its products, peanuts, flax, dry edible beans, vegetables, fruits or naval stores, provisions for the establishment of quotas or allotments limiting the amounts of the commodity with respect to which such license is issued which may be purchased or in any other way received, by any licensee or licensees from any or all producers; and no license providing for such quotas or allotments shall be issued unless the Secretary^{of Agriculture} determines that such provisions have been requested (I) by more than two-thirds of the producers who have been engaged in the production of such commodity within the area covered by such license during such period as the Secretary of Agriculture determines to be a representative period of such production, or (II) by producers controlling more than two-thirds of the average acreage, or producing for market more than two-thirds of the average production for market, of such commodity within the area covered by such license during such period as the Secretary of Agriculture determines to be a representative period of such production. Nothing in this subsection shall be deemed to modify the provisions of section 8 (a) of this title.

"(D) Any person engaged in such handling without a license in

violation of the terms of this subsection, or in violation of the terms of any license issued to or applying to such person, and any other person knowingly participating in or aiding such handling, and any other person knowingly engaging in or continuing the business of any licensee whose license has been revoked, shall forfeit to the United States the sum of \$1,000 or such lesser sum as the Secretary of Agriculture may determine, for each day during which such violation, or such continuation of said business, occurs, which forfeiture shall be payable into the Treasury of the United States and shall be recoverable in a civil suit brought in the name of the United States.

"(E) Where the Secretary of Agriculture by the terms of any license or of regulations requires any licensee to submit such accurate reports, or such truthful and responsive answers to interrogatories, or to keep such accounts or systems of accounts, or to permit such access to all books, records, and papers within the control of the licensee, as the Secretary of Agriculture may deem necessary to effectuate the purposes of Part 2 of this title, all information furnished to or acquired by the Secretary of Agriculture as a result of such requirement shall be kept confidential by all officers and employees of the Department of Agriculture and shall be disclosed only to the President or to either House of Congress or any committee thereof, upon demand therefor, or in response to a subpoena issued by any court of competent jurisdiction, or pursuant to regulations issued by the Secretary of Agriculture. Any such officer or employee violating the provisions of this subdivision shall upon conviction be subject to a fine of not more than \$1,000 and shall be removed from office.

"(F) The several district courts of the United States are hereby vested with jurisdiction to prevent and restrain any person from handling any agricultural commodity or product thereof or any competing commodity or product thereof, without a license when such handling of such commodity without a license has been prohibited by the Secretary of Agriculture, pursuant to the powers vested in him by this title.

"(G) The remedies provided for in this subsection shall be in addition to, and not exclusive of, remedies or penalties provided for elsewhere in this Act or now or hereafter existing at law or in equity."

SEC. 3. Subsection (5) of section 8 of the Agricultural Adjustment Act, as amended, is hereby renumbered (4).

SEC. 4. Subsection (b) of section 10 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following: "The Secretary of Agriculture may provide that each person licensed by any license which provides for the establishment of any authority or agency within the trade or industry covered by such license in connection with the administration of such license, shall pay his prorata share of all the expenses authorized by the Secretary of Agriculture in the maintenance and functioning of said authority or agency in relation to such administration. Payment shall be made in such amounts and in such manner and to such persons as the Secretary of Agriculture may direct, upon due notice of, and after opportunity for hearing to any party dissatisfied with, the amount of such shares, which notice may be issued and which hearing may take place at the same time as the notice and hearing attendant upon the issuance of the license. The Secretary of Agriculture may institute such legal proceedings in his own name or may authorize

any of the authorities or agencies above mentioned to institute such legal proceedings in their own name, and may further authorize such authorities and agencies to take such other steps, as may be necessary to collect such shares."

SEC. 5. Subsection (c) of section 10 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following:

"Where the Secretary of Agriculture, in any agreement with any producer who is a member of an association of producers or a similar agency established by the Secretary pursuant to this Act, has provided or may hereafter provide for the payment of such producer's pro rata share of the administrative expenses incurred or to be incurred by such association or agency ---

"(1) By the payment to such association or agency of a part of the rental and/or benefit payments due or to be due to such producer, or

"(2) By deducting from the amount due or to be due such producer and payment of the amounts deducted to such association or agency,

such payments heretofore or hereafter made shall constitute rental and/or benefit payments within the meaning of this subsection."

SEC. 6. Subsection (d) paragraph (1) of Section 9 of the Agricultural Adjustment Act, as amended, is amended by striking out the word "market" and inserting in lieu thereof the words "distribution or use."

SEC. 7. Paragraphs 4 and 5 of the subsection (d) of Section 9 of the Agricultural Adjustment Act, as amended, are amended by striking out the provisions of paragraph (4), by renumbering paragraph (5) as paragraph (4) and by striking out in said paragraph (5) hereby renumbered (4) the word "market" and inserting in lieu thereof the words "distribution or use."

SEC. 8. The first sentence of Section 2 (1) of the Agricultural Adjustment Act, as amended, is amended to read as follows:

"To establish and maintain such balance between the production and consumption of agricultural commodities, and such marketing conditions therefor, as will reestablish prices to farmers at a level that will (A) give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the base period; and (B) reflect current farm labor costs, interest payments on farm indebtedness and taxes on farm property, as contrasted with such costs, interest, and taxes during the base period."

SEC. 9. Section 9 (c) of the Agricultural Adjustment Act, as amended, is amended to read as follows:

"(c) For the purposes of part 2 of this title, the fair exchange value of a commodity shall be the price therefor that will (A) give the commodity the same purchasing power, with respect to articles farmers buy, as such commodity had during the base period specified in section 2; and (B) reflect current farm labor costs, interest payments on farm indebtedness, and taxes on farm property as contrasted with such costs, interest, and taxes during the base period specified in section 2; and the current average farm price and the fair exchange value shall be ascertained by the Secretary of Agriculture from available

statistics of the Department of Agriculture. The rate of tax upon the processing of any commodity, in effect on the date on which this amendment is adopted, shall not be affected by the adoption of this amendment and shall not be required to be adjusted or altered, unless the Secretary of Agriculture finds that it is necessary to adjust or alter any such rate in order to effectuate the declared policy of the Act."

